

NOTICE OF INTENT

Office of the Governor
Real Estate Commission

Documentation (LAC 46:LXVII.1.18)

Under the authority of the Louisiana Real Estate License Law, R.S. 37:1430 et seq., and in accordance with the provisions of the Louisiana Administrative Procedure Act, R.S. 49:950 et seq., notice is hereby given that the Louisiana Real Estate Commission has initiated procedures to adopt LAC 46:LXVII.Chapter 18. The purpose of the proposed rule change is to promote broker responsibility in the areas of supervision, record keeping, and compensation. The rule is proposed to ensure that brokers are taking the task of supervising their agents seriously to ensure that practicing agents are serving the public to the best of their abilities.

Title 46

PROFESSIONAL AND OCCUPATIONAL STANDARDS

Part LXVII. Real Estate

Subpart 1. Real Estate

Chapter 18. Broker Responsibilities

§1805. Compensation

~~A. Any and all compensation paid to a sponsored licensee for acts or services subject to LSA-R.S.37:1431.(24) shall be paid by, through, or with the written consent of the sponsoring broker. If written consent of the sponsoring broker is received it must specifically state the name(s) of the licensee(s) and the individual amount of compensation being paid.~~

B. Licensees who are part of a group or team shall not receive compensation for acts or services subject to LSA-R.S.37:1431.(24) from anyone within their team.

Family Impact Statement

In accordance with R.S. 49:953(A)(1)(a)(viii) and 972, the following Family Impact Statement is submitted with the Notice of Intent for publication in the January 20, 2018 *Louisiana Register*: The proposed rule has no known impact on family, formation, stability, or autonomy.

Poverty Impact Statement

The proposed rule has no known impact on poverty as described in R.S. 49:973.

Provider Statement

The proposed rule has no known impact on providers of services for individuals with developmental disabilities.

Public Comments

Interested parties may submit written comments on the proposed regulations to Ryan Shaw, Louisiana Real Estate Commission, 9071 Interline Avenue, Baton Rouge, LA 70809 or rshaw@lrec.state.la.us, through February 9, 2018 at 4:30 p.m.

Public Hearing

If it becomes a necessary to convene a public hearing to receive comments, in accordance with the Administrative Procedures Act, a hearing will be held on March 1, 2018 at 9:00 a.m. at the office of the Louisiana Real Estate Appraisers Board, 9071 Interline Avenue, Baton Rouge, LA 70809.

Bruce Unangst
Executive Director

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: LAC 46:LXVII.Part 1.Chapter 18

- I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)
The proposed rule change will have no anticipated impact on expenditures to state or local governmental units. The proposed rule change eliminates the option for a sponsored broker to give written consent that the licensee can be paid directly at the point of sale, and reverts to the previous practice where only the sponsoring broker can pay the licensee.
- II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)
The proposed rule change may generate additional revenues to the real estate commission to the extent brokers are non compliant, however the amount of revenue is indeterminable. The fine amount will be determined by the Commission on a case-by-case basis.
- III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NON-GOVERNMENTAL GROUPS (Summary)
Sponsoring brokers and licensees will be impacted by the proposed rule change. Sponsoring brokers will no longer be able to give written consent for the licensee to be paid directly at the point of sale, and to the extent they are non-compliant they would have to appear before the commission which will then determine an appropriate penalty.
- IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)
The proposed rule change will have no effect on competition and employment.

Bruce Unangst
Executive Director

Evan Brasseaux
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Legislative Fiscal Office